



**Presented by: Jotham Gichuhi**  
MBA-Finance, CPA-K, CIA,CISA, PHD - (Organizational  
Leadership - **Ongoing**), CHRP(ct)



# Agenda

**01** Definitions

**02** Application

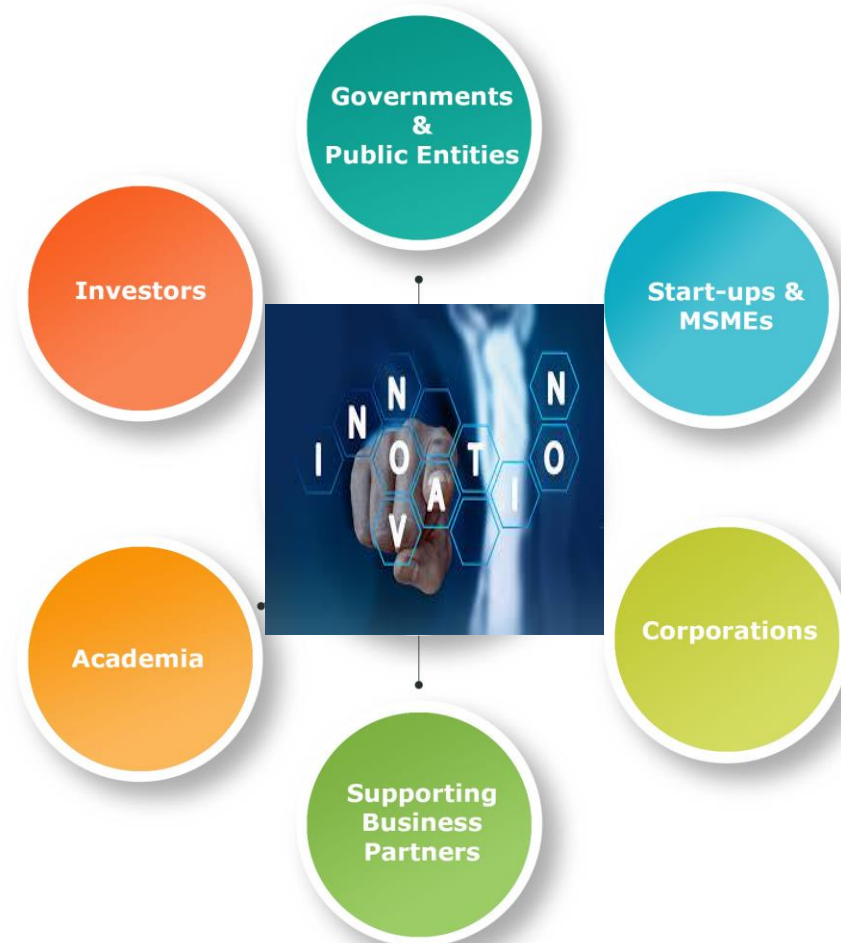
**03** Reflection

**04** Act

# Innovation

## All sectors need to innovate to:

- i. Create new experience for the customer
- ii. Reduce the cost of production (efficiency)
- iii. Improve employee experience ( friendlier processes)
- iv. Reach out new markets
- v. Remain competitive



# Drivers of Innovation

In other words, What makes organizations innovate?....



1. Changing customer demands – Today's customer has choices and can move from one seller to another if not satisfied.
2. Change in management or Stewardship – New management may require a change in the way of doing things.
3. Change in regulation – When the regulator changes the law, the organization may need to adopt new ways or processes.
4. Compensation/ Reward – Employees expecting reward after an innovation, will improve their innovativeness. Likewise, when a firm expects reward in form of tax cuts among others after an innovation.
5. Internal Research & Development teams – When R&D teams' performance is measured periodically, the chances of innovation increases.
6. Industry trends - Changes in the industry may prompt a company to innovate.

# Innovators Accept mistakes

- ✓ Many people tend to hide mistakes but innovation requires acceptance of mistakes.
- ✓ Each mistakes is an opportunity to learn.
- ✓ Success in innovation does not come with worries or withdrawal, but with persistence, perseverance, and tenacity to continue.
- ✓ Set a budgetary provision for innovation teams (They wont get it right the first time)
- ✓ Leaders should be patient with employees and allow them to make calculated risks and mistakes.



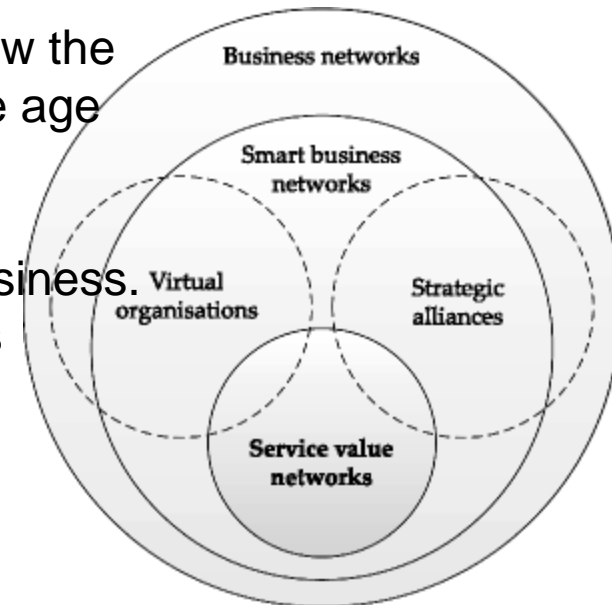
**A person who never made a  
mistake never tried anything  
new.**

Albert Einstein

# AREAS TO REVUMP/GROW BUSINESS

## Through innovation

1. Value proposition – The quality of value or experience the company wish to add to a customer through product improvement e.g. a fruit juice seller may attach a physical exercise cut-out on the juice bottle as a value add, add an extra ingredient in the juice etc.
2. Target customer – Through differentiation of products, the seller may grow the target customer e.g. Offering cold drink of the same product, expanding the age bracket of the consumer.....
3. Value networks – Creating relationships with other parties to grow the business. e.g., R&D department may integrate its initiatives with the government thus creating new goods and services that make more money for the company.



# The 3 C's of Change Leadership

**1. Communicate** – The leader Make sure they communicate the desired results and its implication to the customer and the business e.g.

**Staff:** Why do we have to keep insisting that we innovate?

**CEO:** Ensure to develop products that use inputs more efficiently so that we can price our products competitively.

The reason for innovation will drive the staff to look for possible solutions to efficient production.

**2. Collaborate** – Work with others, get input from others, use others to be change ambassadors.

**3. Commit:** Successful leaders make sure their own beliefs and behaviors supports change, too. Change is difficult, but leaders who negotiate it successfully are resilient and persistent, and willing to step outside their comfort zone...



# Leading People towards change

1. **Support.** Leaders of successful change should focus on results and also on the employees, providing the support they need for the change.
2. **Sway.** Effective leaders identify key stakeholders — including board members, C-suite executives, clients, and others — and communicate their vision of successful change to them. Unsuccessful leaders avoid certain stakeholders rather than try to influence them.
3. **Learn.** Finally, successful change leaders never assume they had all the answers; they learn from others






# Leading the Process

Strategic change and innovation doesn't happen on its own. Effective leaders guide the process from start to finish.

1. **Initiate.** Effective change leaders begin by making the case for the change they seek. They start by demonstrating why change is necessary...
2. **Strategize.** Successful leaders developed a strategy and a clear action plan, including priorities, timelines, tasks, structures, behaviors, and resources. They communicate the strategy to the
3. **Execute.** Translating strategy into execution is one of the most important and difficult things leaders can do. Demonstrate that it is urgent to act and also lead by example. People learn better by seeing...



People learn more quickly  
by doing something or  
seeing something done.

Gilbert Highet

© 2010

# Lead with the culture

1. **Start at the top.** Appeal to the board, senior management to appreciate the new change. They should lead by example.
2. **Involve every layer to the last man in the organization. The cleaner should understand their role in innovation.**
3. **Make the rational and emotional case together:** Human beings respond to calls to action that engage their hearts as well as their minds. Make them feel as if they're part of something consequential.
4. **Act your way into new thinking.** Managers will become clear communicators because they have a mandate to deliver a message about the new strategy. Instead of implementing a dramatic, full-scale turnaround, the change team require that the leaders adopt three specific behaviors:  
Make major, visible decisions in days instead of weeks or months.

# Quality time the culture

1. Spend time with frontline leadership (supervisory) level, ask for their input and engage them in open discussions.
2. Ensure the middle and lower ranks have direct contact with real-life customers. It provides real and useful feedback.



# Inclusivity

- 1. Lead outside the lines** – Have teams blended of position and expertise. Such teams are called informal leaders or “special forces.”
- 2. Pride builders.** **This are** people good at motivating others to take pride in their work. People influenced by them feel good about working for the firm and have a desire to go above and beyond. Search for such people and use them as innovation ambassadors.
- 3. Trusted nodes** are go-to people. They are fountains of the organization’s culture. They are the ones approached by people who want to know what’s really happening in the organization
- 4. Change or culture ambassadors.** They serve both exemplars, communicators, spreading the word about why change is important. They may not be the ones on top of the ladder....



# Leverage formal solutions

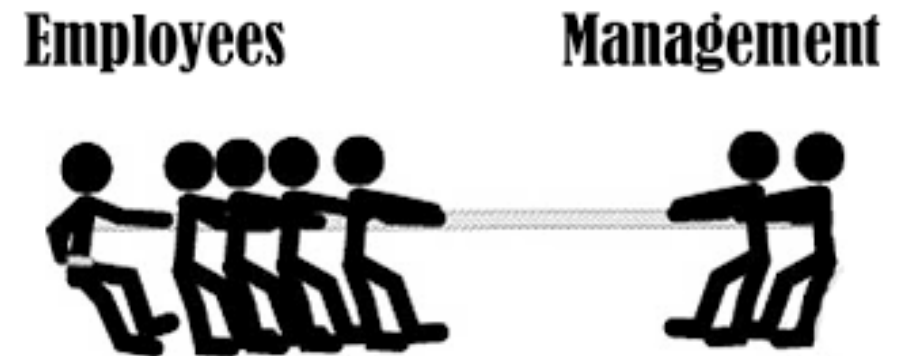
1. Persuade people to change their behavior needed for transformation.
2. Have a staff structure that aid fast decision making.
3. Introduce reward systems for innovative ideas
4. Design ways of operating to suit the intended change
5. Provide relevant training, and development to support the various teams.

NB: Many companies fail in this area.



# Mitigating Resistance

- ✓ Organizational change occurs when the driving forces are stronger than the restraining forces (Lewin, 1955)
- ✓ Ensure that the forces in favor of change are from all sided of the company to avoid a situation of we against them to mean employees against management.



# Types of innovation

. **Assess and adapt.** Many organizations involved in transformation efforts fail to measure their success before moving on

# Communication

**Work more with a listening and feedback culture**

I believe “buy in” is achieved most effectively when everyone, at all levels, are involved in and participate in understanding the reason for the change. This may take a significant amount of education .



# Types of innovation

1. **Incremental innovation.** Improving the quality of the current products or processes gradually. Kaizen methodology
2. **Radical or revolutionary innovation.** New innovations altogether

**Reflection:** Give examples of each type of innovation applicable in your sector. Use this matrix to guide your answer.

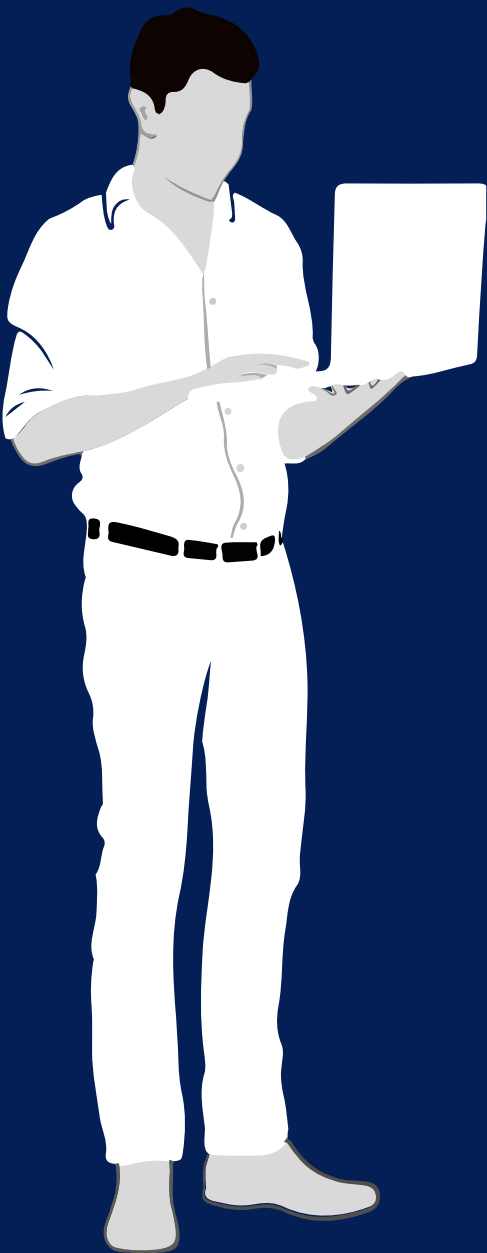


# ACT

1. Determine the key areas your department or organization wishes to innovate/change /improve
  - i. \_\_\_\_\_
  - ii. \_\_\_\_\_
  - iii. \_\_\_\_\_
2. List the various teams that would make the process smooth.  
**Clue.** Refer to slide 12 on inclusivity
3. Develop action plan for the various teams to execute.

Clue: have a table with the following columns

Area to innovate	Objective	Activity/strategy	Team responsible	Time line	Status
------------------	-----------	-------------------	------------------	-----------	--------



Thank You

Q&A

# Contacts

A hand is holding a black smartphone. The screen is black and displays the phone number +254 726 241095 in orange text.

+254 726 241095

[admin@ajglobalconsult.com](mailto:admin@ajglobalconsult.com)

[jgichuhi@ajglobalconsult.com](mailto:jgichuhi@ajglobalconsult.com)